

**South Dakota Risk Pool Governing Board  
Governors Small Conference Room  
Thursday March 15, 2007**

The meeting of the South Dakota Risk Pool Board began at 10:00 a.m. The meeting began with a Welcome from Kevin Forsch highlighting the meetings activities and making minimal changes to the meetings agenda. He then asked Melissa Kusser to take the roll.

Governing Board Members in attendance included Chairman Kevin Forsch, Co-Chair Tom Martinec, Mr. Larry Iversen, Mr. Dennis Studer, Ms. Janet Griffin, via conference call, and Mr. Randy Moses. Others in attendance included Ms. Sandy Zinter, BOP, Ms. Melissa Kusser, DOI, Ms. Mary Keeler, BFM, Ms. Jill Kruger, BOP, and Brian Underdahl, DOI.

Minutes were distributed to the group via email prior to the meeting. Kusser notified the group of a change to the January 24, 2007 minutes to reflect the ongoing basis of the additional \$50,000 towards the states contribution towards the risk pool versus on a one time basis. Randy Moses made a motion to approve the minutes as amended with Tom Martinec making a second. The board approved the November 2, 2006 minutes along with the January 24, 2007 minutes as amended unanimously.

Forsch discussed the additional \$50,000 contribution from the State to the risk pool. He informed the group that legislators passed the bill unanimously. The money will be available in Fiscal Year 2008.

The next item discussed was the appointments of new members to the Governing Board and Advisory Board. With the resignation of Paul Jensen, Barb Smith will be replacing him and representing the medical association on the Advisory Panel. Senator Jason Gant was also appointed by President Pro Tempore. Dennis Studer with the Bureau of Personnel has been appointed to the Governing Board.

Mary Keeler with the Bureau of Finance and Management was with the group to discuss the new outlay of the Financial Condition Statement. Keeler gave the group an overview of the report answering any questions or concerns the board had. Keeler indicated that with the implementation of carrier assessments being collected on a yearly basis versus a quarterly basis she will defer half of the yearly assessment on to the next fiscal year. Incurred but not yet reported will now be report as Policy Claims Liability. Janet Griffin would like Keeler to prepare a one page bullet summary of the condition statements to share with advisory panel.

Keeler is currently working with Dakotacare on a loss triangle that she anticipates will be ready for the boards viewing at the next meeting.

The discussion arose in regards to the acceptance of the federal grants. Keeler informed the group that the process has been set in motion to collect the first pool of money which

was based on operational losses. The second pool of money which is based on the implementation of SB 200 will be requested at the time applicants are enrolled into the risk pool.

Larry Iversen then made a motion to approve the financial condition statements a second was made by Moses. The board approved the reports unanimously.

Dennis Studer presented reports on Rx usage along with membership numbers and how they are enrolled into the disease management program. HCMTI has informed the Bureau of Personnel that they provided Body Mass Index statistics on each enrollee as they feel it has a significant impact on health issues in the risk pool. Griffin suggested that the Rx report show a trend line on a per member per month basis along with possibly the number of prescriptions in a year. BOP will provide the group with different reporting layouts for review.

An update was then given on the progress of SB 200. Jill Kruger reported that as of March 15, 2007 they had 1 approved enrollee, 4 pending applications, and approximately 20 phone calls regarding the matter. They eligibles have 90 days to respond back to the letter which will be approximately on May 21, 2007. It was suggested by Iversen to send a reminder letter at the 45 day time frame.

The Division of Insurance will begin compiling the necessary data to review additional enrollees that are still currently in closed blocks of business that did not previously qualify under SB 200 at the time the data was collected.

The next item on the agenda was the discussion of the proposed changes to the plan document. Moses provided the group with bullet points in which he highlighted different areas that would need to be made in the upcoming year. Within the discussion of the plan document changes was also the consideration of an administrative rule to address the issue of terminating coverage due to fraudulent matters. Iversen questioned the recourse authority the Board had in an event claims had been paid fraudulently. Moses and Iversen will research language that may address this issue. Moses informed the group that he would be making the appropriate changes to the plan document and proposed rule and then send to the advisory panel for review and comments.

Kusser gave an update to the group on the implementation of FY 2008 premium rates. She advised the board that the three largest carriers were notified in early March of their responsibility to provide the division with requested information. Once this information has been compiled, the applicable information will be sent to Mercer, Oliver, and Wyman for analysis.

The group then discussed the maintenance of the risk pool website. It has been brought to the board's attention that the plan document that was published on the web was not current with the changes made in FY07.. It is unclear when the incorrect plan document was posted on the web. Currently the web host is divided between HCMTI and BOP.

BOP will be working with the Bureau of Information Technology to transfer this process to BOP's website.

Studer spoke about additional reports that Dakotacare has made available to him which include detailed information on membership numbers. He will be compiling the applicable reports and sending to the Governing Board for review.

There were no appeals at this time.

Randy Moses made a motion to adjourn shortly before 11:30 am a second was given by Larry Iversen and the group approved unanimously.